



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Legislative Fiscal Analyst
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DATE: June 3, 2005

TO: Members of the Legislative Finance Committee

FROM: Barbara Smith, Associate Fiscal Analyst

RE: Fire Funding History and 2005 Fire Season Outlook

Montana incurred obligations for fire suppression costs of over \$35 million for the 2005 biennium. The average cost of forest fires the last seven years has been in excess of \$14 million each biennium. The legislature does not establish an appropriation for fire suppression costs. Historically, fire costs have been paid temporarily from the Department of Natural Resource and Conservation (DNRC), Forestry Division's general fund appropriation and through the statutory emergency appropriation if an emergency or disaster is declared. The department is then reimbursed and all other bills, except those paid with the emergency appropriation, are funded through a supplemental appropriation. Consequently, all funding comes from the state's general fund ending fund balance and any determination of that balance must take into account the likely obligation.

How the costs of a "normal" season are distributed depends on how much of the large costly fires occur within DNRC or county fire protection boundaries. In the last seven fiscal years, \$71 million has been expended on fire suppression. The annual cost has ranged from \$0.8 million in 1998 to \$34.9 million in 2004. The following fire season outlook is provided to keep the committee informed of the potential fire season in Montana due to the financial impact an active fire season could have on the general fund ending balance.

SEASONAL FIRE OUTLOOK¹

Potential: Normal to Above Normal.

An active July through August fire season is expected mainly in the mountains of western Montana and northern Idaho due to record low snow pack in some areas and the seventh year of drought. These sustained dry conditions have stressed vegetation, causing a 57% increase in bug-killed timber since 2003 adding to already high fuel loads in many timbered areas. Spring rains will result in the growth of fire fuels leading to grassland fires by early summer. Drying of all fuels is expected to begin in mid-July and continue through August, leading to above normal potential in Idaho as well as western and southern Montana.

¹ Source: National Interagency Fire Center

JUNE OUTLOOK

Potential: Below Normal to Normal

Precipitation: Above Normal.

Temperature: Normal.

Fuels / Fire Danger: Dead fuel moistures in larger fuels have increased due to the recent precipitation and are now near to above normal for this time of year.

Prescribed Fire: Minimal concerns are expected as green-up continues. Dry understory fuels in timbered locations could be a concern.

Miscellaneous: Significant moisture in the central and southern parts of Montana has reduced potential for large fires, but could provide ample grass growth this spring. Drought conditions have eased somewhat across southern Montana, though general drought continues.

FY 2005 COSTS

Fire costs for FY 2005 are estimated \$3.9 million of which \$822,168 is attributed to the cost of spring fires. Reimbursement for costs came from the following:

- o Federal Jobs & Growth funds - \$2.2 million
- o General fund supplemental appropriation \$0.7 million
- o US Forest Service - \$0.8 million
- o Bureau of Land Management - \$0.2 million

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